UNITED STATES DISTRICT COURT DISTRICT OF OREGON

UNITED STATES OF AMERICA,

Civil Action No. CV 03-1763 HA

Plaintiff,

CONSENT DECREE

V

PORTLAND TERMINAL RAILROAD COMPANY,

Defendant

I. BACKGROUND

- A. The United States of America ("United States"), acting on behalf of and at the request of the United States Postal Service ("USPS"), filed a complaint in this matter pursuant to Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9607, as amended ("CERCLA"), and ORS §§ 465.255, 465.257, 465.325, and 466.640, seeking reimbursement from Portland Terminal Railroad Company ("Settling Defendant") of response costs and remedial action costs incurred by the United States in connection with the USPS's Processing and Distribution Center ("Site") in Portland, Oregon. Settling Defendant has denied liability to USPS under CERCLA and Oregon law and has filed a counterclaim asserting that the United States is liable for the costs incurred.
- B. Settling Defendant does not admit any liability to the United States arising out of the matters alleged in the complaint. The United States does not admit any liability arising out of the matters alleged in the counterclaim asserted by Settling Defendant.
- C. The United States and Settling Defendant ("Parties") agree, and this Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith, that settlement of this matter will avoid prolonged litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest.

THEREFORE, with the consent of the Parties to this Decree, it is ORDERED, ADJUDGED, AND DECREED:

II. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. §§ 9607 and 9613(b), and supplemental jurisdiction over claims in this action arising under Oregon law pursuant to 28 U.S.C. § 1367(a). This Court has personal jurisdiction over Settling Defendant. Solely for the purposes of settlement and this Consent Decree, Settling Defendant waives all objections and defenses that it may have to jurisdiction of the Court or to venue in this District. Settling Defendant shall not challenge the terms of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

III. PARTIES BOUND

2. This Consent Decree is binding upon the United States and upon Settling Defendant and its successors and assigns. Any change in ownership or corporate or other legal status, including but not limited to, any transfer of assets or real or personal property, shall in no way alter the status or responsibilities of Settling Defendant under this Consent Decree.

IV. DEFINITIONS

- 3. Unless otherwise expressly provided herein, terms used in this Consent Decree that are defined in CERCLA or in regulations promulgated under CERCLA, or in the Oregon environmental cleanup and spill response statutes or rules promulgated under those statutes, shall have the meanings assigned to them in CERCLA or in such regulations, or in the Oregon environmental cleanup and spill response statutes or such rules. Whenever terms listed below are used in this Consent Decree, the following definitions shall apply:
- a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.
 - b. "Consent Decree" shall mean this Consent Decree.
- c. "Day" shall mean a calendar day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.
- d. "DOJ" shall mean the United States Department of Justice and any successor departments, agencies or instrumentalities of the United States.
- e. "EPA Hazardous Substance Superfund" shall mean the Hazardous Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.
 - f. "EFT" shall mean Fedwire Electronic Funds Transfer.

- g. "Excluded Costs" shall mean those costs related to a final remedy or modification to the final remedy for the Site incurred by USPS after the date ODEQ approves or selects that final remedy or that modification to the final remedy under the following conditions: (1) after the entry of this Consent Decree the current or reasonably likely future land use at the Site changes from that set forth in the Final Land Use Evaluation dated March 26, 2003 and approved by ODEQ by letter dated September 8, 2003; and (2) as a result of the change in current or reasonably likely future land use, the ODEQ or any other regulatory agency either (a) approves or selects a final remedy for the Site that will be materially more costly than the remedy ODEQ would have approved without the change or (b) approves or selects a material modification to the final remedy that will be materially more costly than any remedy that has been previously approved or selected. Excluded Costs do not include any costs incurred prior to the approval or selection of a final remedy based upon a change in land use.
- h. "Future Response Costs" shall mean response and remedial action costs incurred by the United States Postal Service for work performed after October 19, 2004 to complete the Remedial Investigation/Feasibility Study and Remedial Design/Remedial Action for the remedy approved or selected by ODEQ at the Site. "Future Response Costs" shall not include: costs incurred for work performed solely to respond to contamination caused by the USPS at the Site; costs incurred by USPS employees or other employees of the United States; or attorneys' fees incurred in connection with the drafting of this Consent Decree or with the resolution of any dispute between the parties under Paragraph 6. If Settling Defendant notifies the United States pursuant to Paragraph 10.a. below that it elects not to agree pay Excluded Costs, Future Response Costs shall not include Excluded Costs. If Settling Defendant elects to agree to pay Excluded Costs in accordance with Paragraph 10.a. below, Future Response Costs shall include Excluded Costs.
- i. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.
 - i. "ODEQ" shall mean the Oregon Department of Environmental Quality.
- k. "Paragraph" shall mean a portion of this Consent Decree identified by an Arabic numeral or an upper or lower case letter.
 - 1. "Parties" shall mean the United States and Settling Defendant.
- m. "Past Response Costs" shall mean all costs, including but not limited to, all direct and indirect costs of every kind and nature, that USPS or DOJ on behalf of USPS has incurred and/or paid at or in connection with the Site through October 19, 2004.

- n. "Section" shall mean a portion of this Consent Decree identified by a Roman numeral.
 - o. "Settling Defendant" shall mean the Portland Terminal Railroad Company.
- p. "Site" shall mean the area in Portland, Oregon bounded by vacated N.W. Lovejoy Street to the north, Broadway Avenue to the east, N.W. Hoyt Street to the south, and N.W. 9th Avenue to the west.
- q. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities (including, but not limited to, USPS).
 - r. "USPS" shall mean the United States Postal Service.

V. PAYMENT OF RESPONSE COSTS

- 4. Payment of Past Response Costs. Within 30 days of entry of this Consent Decree, Settling Defendant shall pay \$550,000 to the United States as provided hereafter. Payment shall be made by EFT to the U.S. Department of Justice account, referencing USAO File Number "LIONS 2003V01160", Agency Code PSUS, and DOJ Case Number 90-11-3-07801. A copy of the payment information will be sent to DOJ and USPS as provided in Section XIV, Paragraph 29.
 - 5. Payment of Future Response Costs.
 - a. Settling Defendant shall pay 87.5% of Future Response Costs to USPS.
- b. While work is performed, USPS will send Settling Defendant no less frequently than quarterly a bill requiring payment. Each bill will be sent to Settling Defendant as provided in Paragraph 29 with a copy to Kenneth Shump at the address specified in Paragraph 26. The bill will provide a summary of the costs and backup documentation consisting of USPS' contractors' monthly invoices and applicable laboratory and subcontractor invoices. The USPS bill shall include substantially similar detail as that shown in the sample invoice attached as Appendix 1 to this Decree.
- c. Settling Defendant shall make all payments within 30 days of its receipt of each bill requiring payment, except as otherwise provided in Paragraphs 6 and 7. Payments shall be made by FedWire EFT to the U.S. Department of Justice account, referencing USAO File Number "LIONS 2003V01160", Agency Code PSUS, and DOJ Case Number 90-11-3-07801. At the time of each payment, Settling Defendant shall also send a copy of the payment information to DOJ and USPS, as a notice that payment has been made, in accordance with Section XIV (Notices and Submissions). Such notice shall reference the Site name (USPS Processing and Distribution Center), DOJ Case Number 90-11-3-07801, and the civil action number 03-CV-1763-HA (D. Or.). Settling Defendant is not liable for Interest on timely payments under this Paragraph.

- 6. Disputing Future Response Costs. Settling Defendant may dispute all or part of a bill for any Future Response Costs under Paragraph 5 if it determines that the USPS has made an accounting error or if it alleges that a cost item that is included is not within the definition of Future Response Costs. Settling Defendant shall make such objection in writing within 45 days of receipt of the bill and must send it to USPS pursuant to Section XIV (Notices and Submissions). Any such objection shall specifically identify the contested Future Response Costs and the basis for objection. In the event of an objection, Settling Defendant shall within the 45 day period pay all uncontested Future Response Costs in the manner described in Paragraph 5.c., which will be considered a timely payment and not subject to interest under Paragraph 8 and not subject to stipulated penalties under Paragraph 11. Simultaneously, Settling Defendant shall establish an interest-bearing escrow account in a federally-insured bank and remit to that escrow account funds equivalent to the amount of the contested Future Response Costs. Settling Defendant shall send to DOJ and USPS, as provided in Section XIV (Notices and Submissions), a copy of the correspondence that establishes and funds the escrow account, including, but not limited to, information containing the identity of the bank and bank account under which the escrow account is established, a bank statement showing the initial balance of the escrow account, and a description of how interest is computed on the escrow account.
- a. <u>Informal Dispute Resolution.</u> Any dispute with respect to Future Response Costs shall in the first instance be the subject of informal negotiations between USPS and Settling Defendant. The period for informal negotiations shall not exceed 30 days from USPS's receipt of the Settling Defendant's objection, unless such time limit is modified by written agreement of USPS and Settling Defendant. If the dispute is resolved by informal negotiations, the agreement shall be reduced to writing, which, upon signature by USPS and Settling Defendant, shall be incorporated into and become an enforceable part of this Consent Decree. Within 15 days of the execution of the agreement, Settling Defendant shall direct the escrow repository bank to pay to USPS from the escrow account any amount owed to USPS pursuant to the written agreement, plus interest on such amount that has accrued in the escrow account ("escrow interest") between the date that the funds covering this amount were deposited in the escrow account through the date of payment, in the manner described in Paragraph 5.c.
- b. Formal Dispute Resolution. If informal dispute resolution is unsuccessful, Settling Defendant shall direct the escrow depository bank to pay to USPS from the escrow account the sums due to USPS plus interest on such amount that has accrued in the escrow account ("escrow interest") between the date that the funds covering this amount were deposited in the escrow account through the date of payment, in the manner described in Paragraph 5.c., unless Settling Defendant files, within 20 days from conclusion of the informal dispute resolution period, a motion with this Court to exclude the costs. The motion shall include a description of the matter in dispute, the efforts made by the Parties to resolve it, and the relief requested. The United States may file a response to Settling Defendant's motion.

- 7. If the USPS prevails in the dispute described in Paragraph 6.b., within 15 days of the resolution of the dispute, Settling Defendant shall direct the escrow depository bank to pay to USPS from the escrow account the sums due to USPS, plus interest on such amount that has accrued in the escrow account ("escrow interest") between the date that the funds covering this amount were deposited in the escrow account through the date of payment, in the manner described in Paragraph 5.c. If Settling Defendant prevails concerning any aspect of the contested costs, Settling Defendant shall direct the escrow depository bank to pay from the escrow account that portion of the costs for which Settling Defendant did not prevail to USPS, plus interest on such amount that has accrued in the escrow account ("escrow interest") between the date that the funds covering this amount were deposited in the escrow account through the date of payment, in the manner described in Paragraph 5.c.; Settling Defendant shall be disbursed, and entitled to receive, any balance of the escrow account. The dispute resolution procedures set forth in Paragraph 6 shall be the exclusive mechanisms for resolving disputes regarding Settling Defendant's obligation to reimburse the United States for its Future Response Costs. Costs incurred by the Parties during Formal Dispute Resolution shall be awarded as stated in Paragraph 12 below.
- 8. In the event that the payments required by Paragraphs 4 or 5 are not timely made, Settling Defendant shall pay Interest on the unpaid balance. The Interest to be paid on Past Response Costs under this Paragraph shall begin to accrue on the date of entry of this Consent Decree. The Interest on Future Response Costs shall begin to accrue on the date of Settling Defendants' receipt of the bill. The Interest shall accrue through the date of Settling Defendant's payment. Interest shall be payable to the United States upon demand. Payments of Interest made under this Paragraph shall be in addition to such other remedies or sanctions available to the United States by virtue of Settling Defendant's failure to make timely payments under this Section including, but not limited to, payment of stipulated penalties. Settling Defendant shall make all payments required by this Paragraph in the manner described in Paragraph 4 or 5, as applicable. This paragraph is not applicable to contested amounts subject to dispute resolution under Paragraphs 6 and 7 if such amounts have been timely deposited in an escrow account as required by those Paragraphs.
- 9. <u>Notification of Payments</u>. At the time of any payment made under Sections V or VI, Settling Defendant shall also send a copy of the payment information to DOJ and USPS, as a notice that payment has been made, in accordance with Section XIV (Notices and Submissions). Such notice shall reference the Site name (USPS Processing and Distribution Center), the DOJ Case Number 90-11-3-07801, and the civil action number 03-CV-1763-HA (D. Or.).

10. Payment of Excluded Costs.

a. If the United States demands that Settling Defendant agree to pay 87.5% of Excluded Costs, Settling Defendant may, in its sole discretion, within 30 days of its receipt of the demand either (i) agree in writing to pay the demanded costs as they are incurred in the manner

specified in Paragraph 5.c., above, or (ii) notify the USPS and DOJ in writing that Settling Defendant elects not to pay the Excluded Costs.

- b. In the event Settling Defendant elects not to agree to pay the Excluded Costs, the United States shall then have the right to either (i) reopen this action (No. CV 03-1763 HA (D. Or.)) to recover the Excluded Costs or to (ii) file a new administrative or judicial action against Settling Defendant with respect to Excluded Costs. If the United States reopens this action, or litigates with Settling Defendant the issue of Settling Defendant's liability for Excluded Costs, this Consent Decree shall have no legal effect on the determination of Settling Defendant's liability for such costs and except as expressly provided in Paragraph 23 below, neither party may use the terms of this Consent Decree, or the fact of its existence, for any purpose in such litigation.
- c. Unless Settling Defendant has elected to pay excluded costs pursuant to Paragraph 10.a., disputes between the Parties about the application of this Paragraph shall be subject to the dispute resolution provisions set forth in Paragraphs 6-8, except that Settling Defendant shall not be required to pay the disputed amounts into escrow.

VI. FAILURE TO COMPLY WITH CONSENT DECREE

11. Stipulated Penalties for Late Payment.

- a. If any amounts due under Paragraphs 4 or 5 are not paid as provided in Paragraphs 4 and 5, Settling Defendant shall be in violation of this Consent Decree and stipulated penalties, in addition to the Interest required, will accrue at the rate of \$250 per day that such payment is late. However, if Settling Defendant makes payment within 10 business days ("Grace Period") of the date payment is due under Paragraphs 4 or 5, Settling Defendant will not be required to pay those stipulated penalties. If Settling Defendant still has not paid by the end of the final day of the Grace Period, Settling Defendant will be liable for and shall pay the stipulated penalties that have accrued during the Grace Period and thereafter.
- b. Stipulated penalties are due and payable within 30 days of the date the USPS issues a written demand for payment. All payments to USPS under this Paragraph shall be identified as "stipulated penalties" and shall be made by certified or cashier's check made payable to the USPS. The check, or a letter accompanying the check, shall reference the Site name (USPS Processing and Distribution Center), the DOJ Case Number 90-11-3-07801, and the civil action number 03-CV-1763-HA (D. Or.). Settling Defendant shall send the check (and any accompanying letter) to:

Deputy Managing Counsel United States Postal Service Law Department – Western Area 9350 South 150 East, Suite 800 Sandy, UT 84070-2716.

- c. At the time of each payment, Settling Defendant shall also send a copy of the payment information to DOJ and USPS, as a notice that payment has been made, in accordance with Section XIV (Notices and Submissions). Such notice shall reference the site name (USPS Processing and Distribution Center), the DOJ Case Number 90-11-3-07801, and the civil action number 03-CV-1763-HA (D. Or.).
- d. Stipulated Penalties shall not accrue on contested amounts timely paid into an escrow fund in accordance with the requirements of Paragraphs 6 and 7.
- 12. If the United States prevails in an action to enforce this Consent Decree, Settling Defendant shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time.
- 13. Payments made under this Section shall be in addition to any other remedies or sanctions available to the United States by virtue of Settling Defendant's failure to comply with the requirements of this Consent Decree.
- 14. Notwithstanding any other provision of this Section, the United States may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Consent Decree. Payment of stipulated penalties shall not excuse Settling Defendant from payment as required by Section V or from performance of any other requirements of this Consent Decree.

VII. COVENANT NOT TO SUE BY THE UNITED STATES

15. Covenant Not to Sue by United States. Except as specifically provided in Section VIII (Reservation of Rights by United States), the United States covenants not to sue or to take administrative action against Settling Defendant pursuant to Section 107(a) of CERCLA, 42 U.S.C. §§ 9607(a) and 9613, or ORS §§ 465.255, 465.257, 465.325, and 466.640 with respect to Past Response Costs and Future Response Costs. With respect to Past Response Costs, this covenant not to sue shall take effect upon receipt by USPS of all payments required by Section V, Paragraph 4 (Payment of Past Response Costs). With respect to Future Response Costs, this covenant not to sue shall take effect upon payment of such costs in accordance with Paragraphs 5 through 8. This covenant not to sue is conditioned upon the satisfactory performance by Settling Defendant of its obligations under this Consent Decree. This covenant not to sue extends only to Settling Defendant and does not extend to any other person.

VIII. RESERVATION OF RIGHTS BY UNITED STATES

16. The United States reserves, and this Consent Decree is without prejudice to, all rights against Settling Defendant with respect to all matters not expressly included within the Covenant

Not to Sue by the United States. Notwithstanding any other provision of this Consent Decree, the United States reserves all rights against Settling Defendant with respect to:

- a. liability for failure of Settling Defendant to meet a requirement of this Consent Decree;
- b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs or Future Response Costs.
 - c. criminal liability;
- d. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606, except for work to the extent it causes the incurrence of Past Response Costs and Future Response Costs;
- e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments under CERCLA or Oregon law.; and
- f. recovery of Excluded Costs if Settling Defendant elects not to agree to pay increased Excluded Costs under Paragraph 10.a.

IX. COVENANT NOT TO SUE BY SETTLING DEFENDANT

17. Covenant Not to Sue By Settling Defendant.

- a. Settling Defendant hereby covenants not to sue and agrees not to assert any claims or causes of action against the United States including the USPS and any department, agency or instrumentality of the United States, with respect to matters addressed under this Consent Decree, including, but not limited to:
 - 1. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through CERCLA Sections 106(b)(2), 107, 111, 112, 113 or any other provision of law;
 - 2. except as provided in Paragraph 16.c. any claims under CERCLA Sections 107 or 113 related to Past Response Costs or Future Response Costs, or any oversight costs incurred by Settling Defendant in connection with work performed by or for the United States or USPS for the Site; or
 - 3. any claims arising out of response actions at or in connection with Past Response Costs or Future Response Costs, including any claim under the United States Constitution, the Oregon Constitution, the Tucker Act, 28 U.S.C. § 1491, the Equal

Access to Justice Act, 28 U.S.C. § 2412, as amended, ORS §§ 465.255, 465.257, 465.325, or 466.640, or at common law.

- b. This covenant not to sue is conditioned upon satisfactory performance by the United States of its obligations under Paragraphs 24 and 25.
- c. Notwithstanding the covenants in subsection a, and subject only to the provisions of Paragraph 23, in the event that the United States files a claim in this action or new action against Settling Defendant to recover Excluded Costs related to the Site that Settling Defendant has elected not to agree to pay under Paragraph 10.a. because of a change in land use, Settling Defendant reserves all defenses that it may have to contest or defend that suit, and may file a counterclaim for Settling Defendant's costs in the new action and the costs the United States is seeking to recover in that suit.
- 18. Nothing in this Consent Decree shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

X. RESERVATION OF RIGHTS BY SETTLING DEFENDANT

19. Settling Defendant reserves, and this Consent Decree is without prejudice to, all rights and defenses against the United States with respect to all matters not expressly included within the Covenant Not to Sue by Settling Defendant.

XI. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

- 20. Nothing in this Consent Decree shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Consent Decree. The Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.
- 21. The Parties agree, and by entering this Consent Decree this Court finds, that Settling Defendant and the USPS are entitled, as of the date of entry of this Consent Decree, to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), for "matters addressed" in this Consent Decree. The matters addressed are Past Response Costs and Future Response Costs.
- 22. Settling Defendant agrees that, with respect to any suit or claim for contribution brought by it for matters related to this Consent Decree, it will notify USPS and DOJ in writing no later than 60 days prior to the initiation of such suit or claim. Settling Defendant also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Consent Decree, it will notify USPS and DOJ in writing within 10 days of service of the complaint

or claim upon it. In addition, Settling Defendant shall notify USPS and DOJ within 10 days of service or receipt of any Motion for Summary Judgment, and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Consent Decree.

23. Waiver of Certain Defenses

- a. Notwithstanding any other provision of this Decree, in any subsequent administrative or judicial proceeding initiated by the United States to enforce a right related to the Site that has been reserved in Section VIII, Settling Defendant shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, or claim-splitting, based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the Covenant Not to Sue against the United States set forth in Section VII.
- b. In addition, in any action to recover Excluded Costs brought within six years after the initiation of physical on-site construction of the remedial action which caused the incurrence of Excluded Costs, the time elapsed between the filing of this action (No. CV-03-1763 HA (D. Or.) and the filing of the new action shall not be considered in the adjudication of any defense based upon the timeliness of the new action. Nothing in this Paragraph shall be construed to revive a claim that was time-barred at the time of filing this action (No. CV-03-1763 HA (D. Or.).

XII. PRE-DECISION COMMENT BY SETTLING DEFENDANT

- 24. USPS will provide Settling Defendant with copies of drafts of all deliverables such as of work plans, budgets for work, reports, sampling results, proposed cleanup plans, feasibility studies, design documents, facts sheets and other documents that may materially affect the cost and scope of work at the Site before submitting them to ODEQ. When Settling Defendant receives a draft Remedial Investigation/Feasibility study report, a draft Remedial Design/Remedial Action report, or any other draft document of similar size and complexity, Settling Defendant shall have fifteen working days from receipt to provide comments to USPS. Settling Defendant shall have ten working days from receipt of all other documents to provide comments to USPS. USPS shall consider those comments in good faith and incorporate any of Settling Defendant's proposed revisions that USPS deems appropriate before submitting such documents to ODEQ, but USPS has the final authority over the content of such documents. USPS is not required to give Settling Defendant the opportunity to comment on routine correspondence with ODEQ, but shall copy Settling Defendant on all correspondence with reasonable promptness.
- 25. USPS shall provide Settling Defendant's chosen representative with reasonable advance notice of meetings and conference calls with ODEQ, and shall support Settling Defendant's participation in them. Settling Defendant shall be permitted to observe any field work conducted by USPS at the Site and to collect split samples at Settling Defendant's cost.

26. All communication with Settling Defendant under this Section shall be with Kenneth W. Shump, R.G., CH2M Hill, 825 NE Multnomah, Suite 1300, Portland, OR 97232-216 (e-mail: kshump@ch2m.com), or a different representative if Settling Defendant notifies USPS of the different representative under Section XIV (Notices and Submissions).

XIII. RETENTION OF RECORDS

- 27. PTRR agrees to preserve and retain those records previously made available for inspection and copying by the attorneys for the United States in the proceedings settled by this Consent Decree for five (5) years after entry of this Consent Decree, regardless of any corporate retention policy to the contrary.
- 28. Settling Defendant certifies, to the best of its knowledge and belief, that since October 30, 2001 (the date the United States sent a letter to Settling Defendant notifying it of its potential liability), it has not destroyed or withheld any document from its records requested in this litigation by the United States, and, except for privileged documents or attorney work product documents, has provided copies of or has made available for inspection and copying all such documents to the United States.

XIV. NOTICES AND SUBMISSIONS

29. Whenever, under the terms of this Consent Decree, notice is required to be given or a document is required to be sent by one party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other party. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of the Consent Decree with respect to the United States, DOJ, USPS, and Settling Defendant, respectively.

As to DOJ:

Chief, Environmental Enforcement Section Environment and Natural Resources Division U.S. Department of Justice (DJ #90-11-3-07637) P.O. Box 7611 Washington, D.C. 20044-7611

Chief, Environmental Defense Section Environment and Natural Resources Division U.S. Department of Justice (DJ # 90-11-3-07637) P.O. Box 23986 Washington, D.C. 20026-3986]

As to USPS:

Deputy Managing Counsel United States Postal Service Law Department -- Western Area 9350 South 150 East, Suite 800 Sandy, UT 84070-2716

As to Settling Defendant:

Original to:

Manager
Portland Terminal Railroad Company
3500 NW Yeon Avenue
Portland, OR 97210

Copy to:

Carolyn Larson Dunn Carney Allen Higgins & Tongue, LLP 851 SW Sixth Avenue, Suite 1500 Portland, OR 97204-1357.

XV. RETENTION OF JURISDICTION

30. This Court shall retain jurisdiction over this matter for the purpose of interpreting and enforcing the terms of this Consent Decree.

XVI. INTEGRATION

31. This Consent Decree constitute the final, complete and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Consent Decree. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Consent Decree.

XVII. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

32. This Consent Decree shall be lodged with the Court for a period of not less than 30 days for public notice and comment. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations which indicate that this Consent Decree is inappropriate, improper, or inadequate. Settling Defendant consents to the entry of this Consent Decree without further notice.

33. If for any reason this Court should decline to approve this Consent Decree in the form presented, this Consent Decree is voidable at the sole discretion of any party and its terms may not be used as evidence in any litigation between the Parties.

XVIII. SIGNATORIES/SERVICE

- 34. Each undersigned representative of Settling Defendant, the United States Department of Justice, and the USPS certifies that he or she is authorized to enter into the terms and conditions of this Consent Decree and to execute and bind legally such Party to this document.
- 35. Settling Defendant hereby agrees not to oppose entry of this Consent Decree by this Court or to challenge any provision of this Consent Decree, unless the United States has notified Settling Defendant in writing that it no longer supports entry of the Consent Decree.
- 36. Settling Defendant shall identify, on the attached signature page, the name and address of an agent who is authorized to accept service of process by mail on behalf of Settling Defendant with respect to all matters arising under or relating to this Consent Decree. Settling Defendant hereby agrees to accept service in that manner and to waive the formal service requirements set forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable local rules of this Court, including but not limited to, service of a summons.

XIX. FINAL JUDGMENT

37. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute the final judgment between and among the United States and Settling Defendant. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

SO ORDERED THIS	DAY OF, 20
	United States District Judge

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. Portland Terminal Railroad Company, Civil Action No. CV 03-1763 HA (D. Or.), relating to the Site.

FOR THE UNITED STATES OF AMERICA

Date:	

Sue Ellen Wooldridge
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, DC 20044-7611

Sarah D. Himmelhoch Senior Attorney Environmental Enforcement Section Environment and Natural Resources Division U.S. Department of Justice P.O. Box 7611 Washington, DC 20044-7611

	United States Post Office
Date:	
	[Name]

THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of United States v. Portland Terminal Railroad Company, Civil Action No. CV 03-1763 HA (D. Or.), relating to the Site.

FOR DEFENDANT PORTLAND TERMINAL RAILROAD COMPANY

Date: 3-6-4

M. David Dealy
President
Portland Terminal Railroad Company
3500 NW Yeon Avenue
Portland, OR 97210-1318

Attest:

Robert F. Stephan
Secretary
Portland Terminal Railroad Company
3500 NW Yeon Avenue
Portland, OR 97210-1318

Agent Authorized to Accept Service on Behalf of Above-signed Party for the Purposes of this Consent Decree:

Name:

Carolyn Larson

Title:

Attorney

Address:

Dunn Carney Allen Higgins & Tongue, LLP

851 SW Sixth Avenue, Suite 1500

Portland, OR 97204-1357

APPENDIX 1

USPS SUMMARY OF ACCUMULATED COSTS OCTOBER 20, 2004 - JULY 22, 2005

Provider	Payment Approval Date	Work Order	Nature of Work	Subfotal	Multiplier Subtotal	Cubtotal	Total
200	1	22.00	: [0	Cubicial	wiching	oabiolai	l Otal
Arcadis	11/22/2004	78.10 Ri	Prepare and initiate Ki Freid Work On-Site and in Right-of-Way ("ROW")	\$38.287.05	87%	\$33,309,73	
			Completion of Final Risk Assessment and Quarterly				
		78.11	78.11 Progress Report	\$40,210.58	21%	\$8,444.22	\$41,753.96
	1/24/2005	78.10 R	RI Field Program On-Site and in ROW	\$60,842.25	100%		
		78.11 R	RI Planning and Coordination & Quarterly Report	\$7,771.14	100%		\$68,613.39
	3/29/2005	78.10 C		\$46,429.70	100%		
		78.11 RI	RI Planning and Coordination	\$9,400.04	100%		\$55,829.74
	5/27/2005	78.11 RI	RI Planning and Coordination	\$7,527.78	100%		
		78.12 RI		\$62,180.77	100%		\$69,708.55
			Quarterly Groundwater Monitoring and Prepartion and				
	7/22/2005	78.12	78,12 Submission of RI Report	\$96,940.17	100%		\$96,940.17
			Total Through 7/22/05				\$332,845.81
Oregon DEQ	12/7/2004		Dan Hefly Billing		100%		\$39.53
	1/7/2005		Dan Hefly and Tom Roick Billing		100%		\$2,112.04
	2/1/2005		Dan Hefly, Tom Roick, Gerald Gamolo		100%		\$725.95
	5/16/2005		Dan Helfy and Tom Roick Billing		100%		\$79.73
			Total Through 5/16/05				\$2,957.25
TOTAL							\$335,803.06



Indefinite Quantity Contract/Services

Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number 78.10	Date 09/20/2004
Work Description ADDITIONAL SERVICES		Facility Location PORTLAND, OR - PDC		
Project Authorization Number 9-4E-406785-E-714	Project Number £95836	Start Date 09/13/2004		Performance Time 120 days
Contractor ARCADIS GERAGHTY MILI DEPT. 547 DENVER CO 80291-0547 Phone: (425)-821-2100		U.S. Postal Service WESTERN FACILITIES OFFICE 8055 E TUFTS AVE # DENVER CO 80237-288	400	
Consultant Name ARCADIS- Melissa R. Kl	Phone (425)-871-2100 leven			
Authorized Signature Mulsse J. We	9-24-04	Contracting Officer MARCIA STENCEL	Stencel	9/20/04

Attachments:

Summary of this Work Order:

Total Miscellaneous:
Total Items Cost:
Total Travel Cost:
Work Order total for 78, 10

\$109,325.00 \$36,234.00 \$0.00 \$145,559.00

Work Order History: 78.00: \$84,728.00, 78.01: \$-24,773.50, 78.02: \$90,711.00, 78.03:

Scope of Work:

Furnish labor and material to complete field perparation and permitting for offsite work and complete the RI Field Program in accordance with the detailed procedures and requirements described in the4 Work Plan approved by the Oregon DEQ.



Indemnite Quantity Contract/Services

Contract Number Manager Renewal Option Work Order Number 072976-98-B-1244 HUGH C ROCHE 3rd Renewal Option 78.10 Date 09/20/2004

Work Description Facility Location

ADDITIONAL SERVICES PORTLAND, OR - PDC

	Base	Quantity	'.
	Contract	of	
	Rate	Time	Amount
WORK GROUP I	· · .		•
GEOLOGIST/HYDRO I	\$50.00	116.00	\$5,800.00
TECHNICIAN	\$28.00	33.00	\$924.00
CLERICAL	\$25.00	32.00	\$800.00
PROJECT ADVISOR/SERIOR EXPERT	\$230.00	22.00	\$5,060.00
SENIOR SCIENTIST II/ENGINEER II	\$149.00	65.00	\$9,685.00
STAFF SCIENTIST/ENGINEER I	\$95.00	147.00	\$13,965.00
			\$36,234.00
Professional Hours Subtotal:		•	\$36,234.00

Indefinite quantity Contract/Services



List of Miscellaneous items: ocate utilities \$730.00 upplies and correspondence \$500.00 ermits (off-site work) \$325.00	Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number 78.10	Date 09/20/2004
### STANDOR #### STANDOR ####################################	Work Description ADDITIONAL SERVICES			C	
### STANDOR #### STANDOR ####################################					
### ### ##############################	List of Miscellaneous It Locate utilities	ems:		\$730.00	
### State of Miscellaneous Hems: Per Diem Amount Subtotal: Sandament Sandament	Supplies and correspond	ndence		\$500.00	
corth Creek Analytical \$34,000.00 clascade Drilling \$44,000.00 claggers \$1,200.00 claggers \$1,500.00 claid Expenses \$600.00 clearwater Environmental (Waste transport & Disposal) \$22,000.00 clearwater Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Dlem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:	Permits (off-site wor	k)		\$325.00	
Saccade Drilling	ravel expenses			\$3,370.00	
requipment Rental \$1,500.00 requipment Rental \$1,500.00 reled Expenses \$600.00 relearwater Environmental (Waste transport & Disposal) \$22,000.00 reaker Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Diem Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:	orth Creek Analytica	1	\$	34,000.00	
quipment Rental \$1,500.00 ield Expenses \$600.00 learwater Environmental (Waste transport & Disposal) \$22,000.00 aker Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00	ascade Drilling		\$	44,000.00	
ield Expenses \$600.00 learwater Environmental (Waste transport & Disposal) \$22,000.00 aker Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount \$.00	laggers			\$1,200.00	
learwater Environmental (Waste transport & Disposal) \$22,000.00 aker Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Dlem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:	quipment Rental			\$1,500.00	
aker Tank Cleaning \$1,100.00 Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00	ield Expenses			\$600.00	
Total of Miscellaneous Items: \$109,325.00 Travel Expenses: Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00	learwater Environmen	tal (Waste transport	& Disposal) \$	22,000.00	
Travel Expenses: Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:	aker Tank Cleaning			\$1,100.00	•
Per Diem Amount \$.00 Lodging Amount \$.00 Other Expense \$.00 Milsage Amount \$.00 Travel Amount Subtotal:	Total of Miscellaneous It	ems:	\$1	09,325.00	
Lodging Amount \$.00 Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:				ė nn	
Other Expense \$.00 Mileage Amount \$.00 Travel Amount Subtotal:					
Travel Amount Subtotal:					
	Mileage An	nount		\$.00	
Work Order Total: \$145,559.00	Travel Amount Sub	total:			
	Work Order	Total:	\$1	145,559.00	

ARCADIS

Infrastructure, buildings, environment, communications

Mr. Hugh Roche Western Area Facilities Service Office United States Postal Service 8055 East Tufts Avenue. Suite 400 Denver, Colorado 80237-2881

Subject:

Cost Proposal for USPS Remedial Investigation (RI) Project RI Field Activities at Portland P&DC 715 NW Hoyt Street, Portland, Oregon 97208 USPS IQC #072976-98-8-1244

Dear Mr. Roche:

ARCADIS is pleased to provide the U.S. Postal Service (USPS) with this cost proposal for on-going environmental consulting services in support of the RI Project for the Portland Processing & Distribution Center (P&DC) located at 715 NW Hoyt Street in Portland, Oregon. This proposal has been prepared for ARCADIS to conduct the RI Field Program approved by the Oregon State Department of Environmental Quality (DEQ) as described in the RI Work Plandated Pehruary 10, 2004 and the Risk Assessment Work Plandated August 13, 2004 (the Work Plans). Tasks to complete the RI Field Program, estimated costs, and a schedule for performing the work are described in the sections below.

Scope of Work

Task 1: Field Preparation and Permitting for Off-Site Work

ARCADIS will conduct several activities in preparation for the RI Field Program. These activities include the following:

- Coordination with the City of Portland for sampling in the storm sewer manhole located in the vicinity of the NW 9th Avenue and Lovejoy intersection, including required split sampling by the City of Portland.
- Preparation of a Traffic Control Plan for lane closure that will be required for the utility corridor work (storm sewer sampling and soil borings).
- Coordination with the City of Portland for approval of the Traffic Control Plan and to ensure that ARCADIS and its subcontractors are prepared to meet the City's requirements for off-site work.

ARCADIS 11411 NE 124" Street Suite 270 Kirkland Washington 98034 Tel 425 821 2100 Fax 425 821 2111

ENVIRONMENTAL

Date: August 20, 2004

Contact: Melissa Kleven

Extension: (425) 821-2100

Part of a bigger picture

Mr. Roche August 20, 2004

ARCADIS

- Contracting flaggers and setting up traffic control equipment (e.g., barriers, signs, and cones), as deemed necessary, in areas of high traffic volume on and off site.
- Coordination with USPS Portland to establish work and staging areas, including an area for storage of investigation-derived waste (soil cuttings and decontamination/purge water), pending analysis.
- Ensuring that work areas are cleared for sampling and drilling, including review of available utilities maps, discussions with USPS and City of Portland personnel, and a utility locate before initiation of the RI Field Program.
- Coordination with the analytical laboratory to convey project-required methods, detection limits and quality assurance/quality control (QA/QC) tests as described in the Sampling and Analysis Plan (SAP) and related documents.
- Coordination with the drilling subcontractor for required elements of the drilling program, including the methodology for drilling the Troutdale Gravel Aquifer (TGA) well in accordance with DEQ requests and requirements.

Costs associated with City coordination and permitting were estimated based on conversations with AMEC and the City for similar work conducted by AMEC in the NW 9th Avenue/NW Lovejoy Street area.

Task 2: RI Field Program

Upon completion of the field preparation activities described above, ARCADIS will complete the RI Field Program in accordance with the detailed procedures and requirements described in the Work Plans. The RI Field Program includes the following general elements:

- Installation of four (4) temporary monitor wells and one (1) permanent deep TGA well, groundwater sampling at these five wells, and sampling at existing Well MW-3.
- Stormwater sampling at one manhole on-site west of the VMF and at a manhole located off-site in the NW 9th Avenue/NW Lovejoy Street intersection.
- Installation and sampling of twenty-four (24) soil borings using direct push methodology at locations in the Electrical Utility Vault Area, former Coach Cleaning Area, former Pintsch Gas Plant Area, Eastern Half of the Property/Parking Garage Area, and in the vicinity of the storm sewer systems on-site and off-site.

ARCADIS

- Analysis of select samples for petroleum-related constituents, volatile organic compounds (VOCs), and metals (soils only).
- Specialized analysis of select soil samples for organic carbon and fractionated petroleum analyses.
- Investigation-derived waste (IDW) handling (facilitating storage on-site), characterization, transport, and disposal.

Proposed Costs and Key Assumptions

The costs for the activities described above are detailed on the attached USPS cost proposal forms, which itemize labor requirements and expenses. Costs include:

•	Task 1:	Field Preparation	and Permitting for Off-Site Work	\$9,540
		RI Field Program		\$136,825
			Total	\$146,365

Costs for these tasks are based on the following assumptions:

- Hazardous waste disposal of 20 tons of soil at ChemWaste Management in Arlington, Oregon and 5,000 gallons of water at Emerald Services in Tacoma, Washington.
- All waste forms, including hazardous waste manifests, will be signed by a designated USPS contact.
- IDW will not be stored on-site for more than 30 days.
- Site conditions are amenable to the planned drilling methods, which include air rotary for the TGA boring/well and direct push for all other soil borings.
- One mobilization for on-site work, with a possible second mobilization for off-site work (due to City of Portland permitting and coordination).
- Field work can be conducted in 1 business week (5 days).
- Permit costs for off-site work will not exceed \$350.

Based on these assumptions, ARCADIS can provide these services, including all travel and miscellaneous costs, for a total cost of \$146,365. This estimate includes a contingency of approximately 10 percent to accommodate changes in scope and/or costs due to changing requirements or field conditions.

Mr. Roche August 20, 2004

ARCADIS

Proposed Schedule

The following schedule is estimated based on the IGA and tasks completed to-date:

- Field Preparation and Permitting for Off-Site Work immediately upon approval, approximately 2 to 3 weeks to complete.
- RI Field Program as-directed by USPS, likely 30 days following DEQ approval of RA Work Plan submitted on August 13, 2004. Field work will is planned to be completed in 1 week.

The actual project schedule will be dependent on USPS direction and DEQ requests and response times.

Thank you for the opportunity to provide this cost proposal for continued work on the Portland P&DC project. Please contact Melissa Kleven or Steve Reed at (425) 821-2100 with any questions you may have.

Sincerely,

ARCADIS

V. Steve Reed Senior Vice President

Melissa Kleven Project Manager

ARCADIS

COST PROPOSAL: Task 1 - Field Preparation and Permitting for Off-Site Work

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

•		Task 1 Total:	\$9,540
Z	Carala Too of China Miller Will Labour -	and a second of the Marie Co.	
Trevel Expenses	\$490	सम्बद्धाः स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स्टब्स्स्य स	\$470
Permits (Off-Site Work)	\$350		\$32 5
Supplies and Correspondence	\$250		\$250
Utility Locates	\$760		\$730
NASSE BARBERONS BUSINESS BEING BOR	//////////////////////////////////////		
<u> </u>			则图念创造
Clerical	\$30.00	. В	\$240
Word Processing I	•		. F
Word Processing II			
Drafting I		•	•
Drafting II		· · · · · · · · · · · · · · · · · · ·	
Technician	\$30.00	8	\$240
Asbestos/Lead Inspector	*		
Geologist I	\$55.00	6 .	\$330
Scientist I	÷	· ai	
Project Scientist Staff Engineer	\$95.00	37	\$3,515
Geologist/Hydrogeologist I		•	
Geologist/Hydrogeologist II			
Project Geologist/rydrogeologist			
Engineer I			
Engineer II			
Project Engineer		•	.*
Planner			
Senior Scientist		to the contract of the same relations of	
Senior Engineer	\$149.00	20	\$2,980
Project Director	\$230.00	2	\$460
		and he was the same of the sam	Matter Tool
	•		

B/20/2004

Table 1. Cost Estimate Breakdown (certain tasks), USPS Portland P&DC, Portland, Oregon

Task	Unit	Quantity	Totai	Subtasi Total
D. RIOT.				
Orllling Activities Cascade Drilling (Direct Push Rig)			•	
Geoprobe drilling rig (9-hour day)	· · · · · · · · · · · · · · · · · · ·		ድድ 4ድስ	
	\$/day	4	\$6,160 \$4,045	
Geoprobe drilling rig (6-hour day)	\$/day	1	\$1,045	*
55-gallon drums for IDW	\$/drum		\$198 ************************************	
Slotted PVC screen for temporary wells	\$/ft	5	\$97	
Blank PVC for temporary wells	\$/ft	10	\$110	
ascade Drilling (Air Rotary - TGA Well)			04.540	
Geoprobe drilling rig (9-hour day)	\$/day		\$1,540	
Air Rotary drilling rig	\$/day	1	\$9,488	
Conductor casing	\$/ft	104	\$10,817	٠.
OR Start Card fee	\$/card		\$165	
Mob/demob	\$/mob	•	\$5,390	
Soil bin rental	\$/day	31	\$742	
Soil bin delivery	\$/delive		\$248	
Soil bin pick-up	\$/delive	•	\$495	
Banker tank rental	\$/mont		\$1,063	
Banker tank delivery and pick-up	\$/delive	•	\$472	
ocates Down Under (Utility Locate)	est T&I	• •	\$726	
ity of Portland (Permits)	est T&I		\$600	
RCADIS Durham Office (Traffic Control Plan)	est T&		\$2,200	
ontingency for additional Drilling and/or Permitting	est T&I	•	\$2,446	\$44,0
DW Disposal (assumes hazardous waste disposal) dearwater Environmental (soil)	•			
Labor	\$/hr	2	\$99	·
Service truck	\$/day		\$94	
Profile fee	\$/profil		\$165	
Box liner	\$/liner	· .	\$72	
Drop box	\$/trip	2	\$1,848	
Disposal	\$/ton	20	\$3,960	
learwater Environmental (groundwater) (\$3/gallon)	· scinth	20	ψ0,300	
Labor	\$/hr	4	\$198	
Service truck	\$/day		\$94	-
Profile fee	\$/profil		\$165	
Transportation	\$/hr	12	\$1,320	
Disposal	\$/gallo	 -	\$12.925	
ontingency for additional Disposal	est T&I		\$1,062	\$22,0
ontingency for auditional Disposal	escion	w ,	Ψ1,002	422,
nalytical orth Creek Analytical (standard tum-around time)			•	
· · · · · · · · · · · · · · · · · · ·	\$/analys	is 60	\$5,544	
NWTPH-Dx (with silica gel clean-up)	\$/analys		\$84	
NWTPH-Dx		•	\$8,140	
VOCs (EPA 8260B) (soil)	\$/analys			
VOCs (EPA 8260B) (water)	\$/analys		\$2,178 \$924	
BTEX (EPA 8021B)	\$/analys	•	\$924	
PAHs (EPA 8270 SIMS LL)	\$/analys		\$11,352 \$703	
NWTPH-Gx	\$/analys		\$792	
VPH/EPH (6 soil)	\$/analys		\$2,123	
RCRA 8 Metals (EPA 6020)	\$/analys	sis 6	\$792	•

Geological parameters (e.g., total organic carbon) Contingency for additional analyses	\$/analysis est T&M	6 1	\$238 \$1,835	\$34,000
Travel Expenses (6 days, 5 nights)				•
Hotel (hotel adjacent to North Creek Analytical)		•	•	•
Hotel room 1 female and telephone/computer connection	\$/night	5	\$825	
Hotel room 1 male and telephone/computer connection	\$/night	5	\$825	
Meals (6 days, 2 people)	\$/day	12	\$660	
Mileage (6 days, 2 people) and Parking	est T&M	600	\$248	
Contingency for additional Travel	est T&M	1 -	\$342	\$2,900
	· · · · · · · · · · · · · · · · · · ·	Total Cost	\$102,900	

ARCADIS

COST PROPOSAL: Task 2 - RI Field Program

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

K. 1945 E. L. Barrellon and Alberta State of Sta		The second secon	
Project Director	\$230.00	20 .	\$4,600
Senior Engineer	\$149.00	45	\$6,705
Senior Scientist	* * *		,
Planner I		* *	
Project Engineer			
Engineer II		100	**
Engineer I			
Project Geologist/Hydrogeologist	•		
Geologist/Hydrogeologist II			
Geologist/Hydrogeologist i			
Project Scientist	is a		
Staff Engineer	\$95.00	110	\$10,450
Scientist II	•		
Geologist I	\$55.00	110	\$6,050
Asbestos/Lead inspector		•	
Technician	\$30.00	25	\$750
Drafting II			
Drafting I			•
Word Processing II		•	
Word Processing 1			
Clerical	\$30.00	24	\$720
BUSINERS AND			
North Creek Analytical (soil, groundwater, and surface wate	\$34,000	and a million has a families of a familie on	\$34,000
Cascade Orilling (Direct Push and Air Rotary)	\$44,000		\$44,000
Flaggers	\$1,200	the state of the s	\$1,200
Travel Expenses	\$2,900		\$2,900
Equipment Rental	\$1.500		\$1,500
Field Expenses	\$600		\$600
Clearwater Environmental (Waste Transport and Disposal)	\$22,000	and the second of	\$22,000
Baker Tank Cleaning	\$1,100		\$1,100
Supplies and Correspondence	\$250		\$250
			WELLES.
		Task 2 Total:	\$136,825

Task 2 Total: \$136,825

Task 1: Field Preparation and Permitting for Off-Site Work
Task 2: RI Field Program \$138,825

TOTAL RIFIELD PROGRAM COST:

\$9,540

Prepared by: M. Kleven 8/20/2004

| UNITED STATES | POSTAL SERVICE.

Indefinite Quantity Contract/Services

Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number 78.11	Date 10/05/2004
Work Description Additional Services		Facility Location PORTLAND, OR - PDC		
Project Authorization Number 9-4E-406785-E-714	Project Number E95836	Start Date 10/04/2004		Performance Time 180 days
Contractor		U.S. Postal Service		
ARCADIS GERAGHTY MIL DEPT. 547 DENVER CO 80291-0547 Phone: (425)-821-2100		WESTERN FACILITIES SERVICE OFFICE 8055 E TUFTS AVE #400 DENVER CO 80237-2881		
Consultant Name ARUDIS Meli:	Phone (4257-821-2100) Sar. Kteven			
Authorized Signature Misself He	VR 10-11-04	Contracting Officer MARCIA STENCEL	Thomas	10/66/04
Attachments			· · · · · · · · · · · · · · · · · · ·	

Attachments:

Summary of this Work Order:

 Total Miscellaneous:
 \$2,600.00

 Total Items Cost:
 \$75,188.00

 Total Travel Cost:
 \$0.00

 Work Order total for 78.11
 \$77,788.00

Work Order History: 78.00: \$84,728.00, 78.01: \$-24,773.50, 78.02: \$90,711.00, 78.03:

Scope of Work:

Furnish labor and material to continuing management and compliance activities with the Oregon DEQ; support the cost recovery efforts re the PTRR; finalize the Risk Assessment plan.

| UNITED STATES | POSTAL SERVICE.

Indefinite Quantity Contract/Services

Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number 78,11	Date 10/05/2004
Work Description Additional Services		Facility Location PORTLAND, OR - PDC		
Project Authorization Number 9-4E-406785-E-714	Project Number E95836	Start Date 10/04/2004		Performance Time 180 days
Contractor ARCADIS GERAGHTY MILL DEPT. 547 DENVER CO 80291-0547 Phone: (425)-821-2100	ER Fax: (425) -821-2111	WESTERN FACILITIES OFFICE 8055 E TUFTS AVE # DENVER CO 80237-288	400	
Consultant Name ARUNDIS / Melise	Phone (4257-821-2100) SaP. Kteven			
Authorized Signature Mulisse J. Wes	Date 10-11-04	Contracting Officer MARCIA STENCEL	Thenal	10/06/04

Attachments:

Summary of this Work Order:

Total Miscellaneous: Total items Cost:

Total Travel Cost:

Work Order total for 78.11

\$2,600.00

\$75,188.00

\$0.00

\$77,788.00

Work Order History: 78.00: \$84,728.00, 78.01: \$-24,773.50, 78.02: \$90,711.00, 78.03:

Scope of Work:
Furnish labor and material to continuing management and compliance activities with the Oregon DEQ; support the cost recovery efforts re the PTRR; finalize the Risk Assessment plan.



Indefinite Quantity Contract/Services

Contract Number Manager
072976-98-B-1244 HUGH C ROCHE

Work Description
Additional Services

Renewal Option
3rd Renewal Option
3rd Renewal Option
Facility Location
PORTLAND, OR - PDC

	••		
	Base	Quantity	
	Contract	of	•
	Rate	Time	Amount
WORK GROUP I			£* +
CLERICAL	\$25.00	68.00	\$1,700.00
PROJECT ADVISOR/SERIOR EXPERT	\$230.00	32.00	\$7,360.00
SENIOR SCIENTIST II/ENGINEER II	\$149.00	352.00	\$52,448.00
STAFF SCIENTIST/ENGINEER I	\$95.00	144.00	\$13,680.00
			\$75,188.00
Professional Hours Subtotal:			\$75,188.00

Indefinite Quantity Contract/Services



Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number	Date 10/05/2004
Nork Description Additional Services		Facility Location PORTLAND, OR - PDG	2	
List of Miscellaneous	items:			
Supplies	•		\$500.00	
Copies			\$1,600.00	
COPTCD			V1,000.00	
Telephone & Fax			\$500.00	
Total of Miscellaneous	Items:		\$2,600.00	
Travel Exp	nses:			
Per Diem A	mount		\$.00	
Lodging A	mount		\$.00	
Other Ex	pense		\$.00	
Mileage Ar	mount		\$.00	
Travel Amount Sul	datal:			•
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Work Order	T-4-1	٥	77,788.00	

ARCADIS

Infrastructure, buildings, environment, communications

Mr. Hugh Roche Western Area Facilities Service Office United States Postal Service 8055 East Tufts Avenue, Suite 400 Denver, Colorado 80237-2881

Subject:

Cost Proposal for USPS Remedial Investigation Project Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208 USPS IQC #072976-98-8-1244

Dear Mr. Roche:

ARCADIS is pleased to provide the U.S. Postal Service (USPS) with this cost proposal for on-going environmental consulting services in support of the Remedial Investigation Project for the Portland Processing & Distribution Center (P&DC) located at 715 NW Hoyt Street in Portland, Oregon. This proposal includes project management support, Department of Justice assistance, and preparing a Final Risk Assessment Work Plan as described below.

Scope of Work

Task 1: Project Management (PM) Support

ARCADIS will assist the USPS Western Area Pacilities Service Office (FSO) in continued management and compliance activities for the Portland P&DC project for a three to six-month period. The following activities are anticipated for this task:

 Ongoing discussions and negotiations with the DEQ regarding the scope of investigations and evaluations required under the Intergovernmental Agreement (IGA) dated May 21, 2003.

 Review of investigations conducted by neighboring properties as information is available, including Troutdale Gravel Aquifer (TGA) and utility corridor studies.

Quarterly Progress Reports for submission to DEQ.

Ongoing project team coordination, including outside legal counsel.

Project meetings in Portland, Oregon.

 Correspondence and coordination of information to support the Western Area FSO. ARCADIS 11411 NE 124° Street Suite 270 Kirkland Washington 98034 Yel 425 821 2100 Fax 425 821 2111

ENVIRONMENTAL

Date: July 8, 2004

Contact: Melissa Kleven

Extension: (425) 821-2100

Mr. Roche July 8, 2004

ARCADIS

Task 2: Department of Justice (DOJ) Assistance

ARCADIS will continue to support of cost recovery efforts from the Portland Terminal Railroad Company (PTRC) for a three-month period. The budget for this task will be expended to conduct activities under the direction of USPS and/or the DOJ, which may include:

- Participating in teleconferences with USPS, DOJ and outside legal counsel.
- Providing project documents for DOJ review and for submission to the PTRC.
- Perform other tasks as requested by DOJ.

Task 3: Draft and Final Risk Assessment (RA) Work Plans

The RA Work Plan is a deliverable required by the IGA prior to the initiation of RI field activities. On behalf of USPS, ARCADIS submitted a Draft RA Work Plan to DEQ on May 14, 2004. ARCADIS attended a meeting with USPS, DEQ and outside legal counsel on June 30, 2004 to discuss DEQ's comments on the Draft RA Work Plan. This task includes the following activities requested by USPS as a result of the June 30 meeting:

- Response to DEQ comments dated June 3, 2004 and continued discussions with DEQ.
- Screening level evaluations using existing site data (e.g., comparisons to DEQ's default Risk-Based Concentrations (RBCs)).
- Revisions to the Draft RA Work Plan as discussed in the June 30 meeting.

Costs to conduct this additional scope of work are requested for this task. The existing budget was developed with the assumption that only moderate comments would be received by DEQ for the Draft RA Work Plan.

Proposed Costs

The costs for the activities described above are detailed on the attached USPS cost proposal forms, which itemize labor requirements and expenses. Costs include:

	Total	\$77,788
• Task 3: Finalize RA Work Plan		\$13,2 <u>0</u> 5
Task 2: DOJ Assistance	• • •	\$30,393
Task 1: PM Support	•	\$34,190

Costs for these tasks are based on ARCADIS time spent for similar activities related to the Portland P&DC project in the past year. ARCADIS can provide

Mr. Roche July 8, 2004

ARCADIS

these services, including all travel and miscellaneous costs, for a total cost of \$77,788.

Proposed Schedule

The following schedule is estimated based on the IGA and tasks completed to-date:

- PM Support ongoing, as-needed for 3 to 6 months.
- DOJ Assistance as-directed by USPS and/or DOJ for 3 months.
- Final RA Work Plan to DEQ August 16, 2004.

The response to DEQ comments (June 3, 2004) will be included in the Final RA Work Plan or will be submitted to DEQ as a separate document before the Final RA Work Plan is submitted. The actual project schedule will be dependent on USPS direction and DEQ activities and response times.

Thank you for the opportunity to provide this cost proposal for continued work on the Portland P&DC project. Please contact Melissa Kleven or Steve Reed at (425) 821-2100 with any questions you may have.

Sincerely,

ARCADIS

V. Steve Reed Senior Vice President

Melissa Kleven Project Manager

COST PROPOSAL: Task 1 - Project Management Support

USPS IOC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

Project Director	\$230.00	10	\$2,300
Senior Engineer	\$149.00	165	\$24,585
Senior Scientist		· · · · · · · · · · · · · · · · · · ·	
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	-	TOTAL	\$34,190

Prepared by: M. (Geven 7/7/2004

COST PROPOSAL: Task 2 - Department of Justice Assistance

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

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Project Scientist			
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		TOTAL:	\$30,393
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Prepared by: M. Kleven 7/7/2004

COST PROPOSAL: Task 3 - Finalize Risk Assessment Work Plan

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

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Staff Engineer	\$95.00	25	\$2,37
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Project Geologist/Hydrogeologist			•
Engineer !			
Engineer II	•	•	
Project Engineer			•
Planner I	•		
Senior Scientist			
Senior Engineer	\$149.00	60	\$8,940
Project Director	\$230.00	3 .	\$690

Prepared by: M. Kleven 7/7/2004



Indefinite Quantity Contract/Services

Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Option	Work Order Number 78.12	Date 05/04/2005
Work Description Additional environmen	tal	Facility Location PORTLAND, OR - PDC		
Project Authorization Number 9-4E-406785-E-714	Project Number E95836	Start Date 03/01/2005	•	Performance Time 180 days
Contractor ARCADIS GERAGHTY MILL DEPT. 547 DENVER CO 80291-0547 Phone: (425)-821-2100	Fax: (425) -821-2111	U.S. Postal Service 160 INVERNESS DRIVE SUITE 400 ENGLEWOOD CO 80112-		
Consultant Name AE(ADIS	Phone (425)-821-2100			
Authorized Signature V. Hue Ree	Date 5/10/05	Contracting Officer MARCIA STENCEL	Skynul	Date 05/04/05

Attachments:

Summary of this Work Order:

Total Miscellaneous: \$24,911.00 Total items Cost: \$181,525.50 **Total Travel Cost:**

\$0.00 \$206,436.50 Work Order total for 78.12

Work Order History: 78.00: \$84,728.00, 78.01: \$-24,773.50, 78.02: \$90,711.00, 78.03:

Scope of Work:

Furnish labor and material to accomplish the following

Task 1 Additional RI Field activities

Task 2 Data Validation and Compilation/Evaluation

Task 3 RI Report

Task 4 Baseline Human Health Risk Assessment

Task 5 Groundwater Monitoring



Indenite Quantity Contract/Serves

072976-98-B-1244

Manager HUGH C ROCHE Renewal Option 3rd Renewal Option

Work Order Number 78.12

Date

05/04/2005

Work Description

Contract Number

Additional environmental

Facility Location

PORTLAND, OR - PDC

	Base Contract	Quantity	
	Rate	Time	Amount
WORK GROUP I			
GEOLOGIST/HYDRO I	\$50.00	381.50	\$19,075.00
TECHNICIAN	\$28.00	17.00	\$476.00
DRAFTING II	\$42.00	120.00	\$5,040.00
CLERICAL	\$25.00	136.00	\$3,400.00
PROJECT ADVISOR/SERIOR EXPERT	\$230.00	90.00	\$20,700.00
SENIOR SCIENTIST II/ENGINEER II	\$149.00	413.00	\$61,537.00
STAFF SCIENTIST/ENGINEER I	\$95.00	750.50	\$71,297.50
			\$181,525.50
Professional Hours Subtotal:			\$181,525.50

Indefinite uantity Contract/Services





Contract Number 072976-98-B-1244	Manager HUGH C ROCHE	Renewal Option 3rd Renewal Opti	Work Order Number 78.12	Date 05/04/2005
Work Description Additional environmer	ntal	Facility Location PORTLAND, OR - P		
List of Miscellaneous				
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City of Portland			\$1,251.00	
Traffic flaggers			\$560.00	
Copies			\$2,750.00	
Phone & Fax			\$980.00	
Air fare & Travel ex	pense		\$1,100.00	· · .
Supplies			\$150.00	
IDW Disposal			\$630.00	
Equipment rental			\$880.00	
Field expenses			\$800.00	
Total of Miscellaneous	items:		\$24,911.00	
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Work Order	Total:	\$	206,436.50	

Infrastructure, buildings, environment, communications

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Mr. Hugh Rochè
Western Area Facilities Service Office
United States Postal Service
8055 East Tufts Avenue, Suite 400
Denver, Colorado 80237-2881

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Cost Proposal for USPS Remedial Investigation (RI) Project Additional RI Field Activities, RI Reporting and 2005 Groundwater Monitoring Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208 USPS IOC 8072976-98-1204

Dear Mr. Rochè:

ARCADIS is pleased to provide the U.S. Postal Service (USPS) with this cost proposal for on-going environmental consulting services in support of the RI Project for the Portland Processing & Distribution Center (P&DC) located at 715 NW Hoyt Street in Portland, Oregon. This proposal includes additional Remedial Investigation (RI) field activities, RI reporting, and groundwater monitoring costs for 2005. RI reporting activities are described in Tasks 2 through 4 and include: data validation and review, preparation of the RI Report, and completion of a baseline human health risk assessment. This baseline human health risk assessment will be included in the RI Report. Both documents are required elements of Intergovernmental Agreement for Remedial Investigation/Feasibility Study and the associated Scope of Work (IGA/SOW) dated May 21, 2003 (Oregon Department of Environmental Quality [DEQ] No. LQVC-NWR-03-06).

Tasks to complete the activities, estimated costs, and a schedule for performing the work are described in the sections below.

Scope of Work

Task 1: Additional RI Field Activities

Following approval by USPS, ARCADIS conducted several activities in addition to those included in the approved scope of work for Work Order 78.10, including the following:

 Completing nine additional soil borings per the requirements of the DEQapproved RI Work Plan (ARCADIS 2004). ARCADIS 11411 NE 124* Since Suite 270 Kintand Weitlington 98034 Tel 425 821 2100 Fax 425 821 2111

ENVIRONMENTAL

Date: February 18, 2005

Contact Melissa Kleven

Extension: (425) 821-2100

Part of a bigger picture

- Additional sample analyses that were deemed necessary based on field conditions to meet the requirements of the DEQ-approved RI Work Plan (ARCADIS 2004) for nine additional borings, additional sample intervals, and additional parameters.
- Collecting and submitting composite samples for laboratory analyses to support waste characterization and disposal. ARCADIS planned to use analyses generated from samples collected during the RI; however, these results necessitated additional characterization (e.g., benzene, lead and other detections that required TCLP follow-up).
- Modifying the scope of work and methods for conducting the off-site investigation due to the presence of utilities encountered approximately every foot across NW 9th Avenue. Costs include mobilization/setup for work that was required to be rescheduled, clearing utilities along NW 9th Avenue using a vacuum truck, coordination with subcontractors and the City of Portland to reschedule field work (e.g., flashing the signal and modifications to permitted work), and negotiations with DEQ to modify the scope of work to account for changes in off-site field conditions.

An estimate of the additional costs is provided on the attached table. These additional costs have been reduced by cost savings incurred for disposing of the investigation-derived waste as non-hazardous rather than hazardous.

Task 2: Data Validation and Compilation/Evaluation

ARCADIS will perform data validation and compilation/evaluation, including the following activities:

- Data validation per DEQ-approved Sampling and Analysis Plan (SAP)
 (ARCADIS 2004) and United States Environmental Protection Agency
 (USEPA) guidance, including:
 - USEPA Contract Laboratory Program National Functional Guidelines for Organic Data Review, EPA-540/R-99-008 (PB99-963506), October 1999.
 - USEPA Contract Laboratory Program National Functional Guidelines for Low Concentration Organic Data Review, EPA-540-R-00-006, June 2001.
- Preparation of data validation forms provided in the SAP (ARCADIS 2004).
- QA/QC review of Electronic Data Deliverables (EDDs) provided by laboratory.

- Compilation of data tables for use in the RI Report, including results from previous site investigations.
- Preliminary data evaluation to assess nature and extent of impacts.

Costs for this task also include correspondence with the analytical laboratory to resolve any reporting issues identified during the validation/review process.

Task 3: RI Report

Following data validation and review, ARACADIS will prepare the RI Report consistent with Oregon Administrative Rule (OAR) 340-122-0080 and Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) RI guidance. The RI Report will include the following:

- 1. Executive Summary.
- 2. Introduction.
- 3. <u>Site Background.</u> A discussion and supporting maps of Site operations, Site description, Site setting, and current and reasonably likely future land and water uses. A land use evaluation has been submitted and approved by DEQ. ARCADIS will assemble a beneficial groundwater use evaluation as an element of the RI Report, including a hydrogeologic characterization using RI data and data gathered for neighboring properties.
- 4. Study Area Investigation. A discussion of the investigative procedures and results for soil, groundwater, and storm water.
- 5. <u>Summary and Conclusions</u>. A discussion of the nature, extent, distribution and environmental fate and transport of contaminants in each medium.
- Appendices. Detailed information supporting the results of the RI.
 Appendices will include: data validation forms, analytical laboratory reports, boring and lithologic logs, and well construction details.
- 7. <u>Baseline Human Health Risk Assessment</u>. Presentation of a baseline human health risk assessment described in Task 4 below.

ARCADIS will prepare a draft and final RI Report. Costs assume minor comments on draft documents from USPS, Portland Terminal Railroad Company (PTRC) and the DEQ. Costs also assume that USPS and PTRC review will be conducted at the same time. Costs for one project meeting to discuss DEQ's comments on the draft RI Report in Portland, Oregon are also included.

Task 4: Baseline Human Health Risk Assessment

ARCADIS will prepare a baseline human health risk assessment for inclusion in the RI Report in accordance with the Risk Assessment Work Plan (ARCADIS 2004) approved by DEQ. The baseline risk assessment will evaluate the Site remaining as-is with the existing buildings and paving. This baseline assessment will evaluate potential effects in the absence of any action to control or mitigate impacts (i.e., a no action alternative). Per DEQ's request, a second baseline risk assessment will also be prepared to evaluate a hypothetical alternative that assumes that the existing paving at the Site is not present. Both baseline human health risk assessments will be prepared in accordance with OAR 340-122-0084 and will include the following elements:

1. Introduction.

- Chemicals of Concern. An evaluation of data gathered for the Site and identification of the chemicals of concern to be carried forward through the risk assessment.
- Exposure Assessment. A detailed description of the exposure pathways (source, release mechanisms, transfer or transport mechanisms, potentially exposed population, exposure routes).
- 4. <u>Toxicity Assessment</u>. A summary of current toxicity information on the carcinogenic and non-carcinogenic effects of the chemicals of concern, and reference levels (reference doses and slope factors) for chemicals of concern.
- 5. <u>Risk Characterization</u>. Presentation of the quantitative current or reasonably likely future risks to human receptors potentially associated with the Site, including a discussion of uncertainty. A hot spot determination may also be completed as defined in OAR 340-122-115. The risk characterization will include development of site-specific TPH cleanup levels or risk for non-carcinogenic effects as required by DEQ.
- 6. <u>Uncertainty analysis.</u> Presentation of a quantitative and qualitative uncertainty analysis, as appropriate, for each element of the risk assessment.

ARCADIS will prepare draft and final Baseline Human Health Risk Assessment Reports to be included with the draft and final RI Reports. Costs assume minor comments on draft documents from USPS, PTRC and the DEQ. Costs also assume that USPS and PTRC review will be conducted at the same time.

Task 5: 2005 Groundwater Monitoring

ARCADIS will conduct groundwater monitoring required by the RI Work Plan (ARCADIS 2004), which includes annual monitoring of Monitor Well MW-3 and quarterly monitoring of the Troutdale Gravel Aquifer (TGA) well installed during

Mr. Rochè February 18, 2005

ARCADIS

the RI field program in December 2004. The TGA well will be sampled in accordance with the following schedule:

- March 2005
- June 2005
- September 2005
- December 2005

Annual sampling of Well MW-3 will be completed during the December 2005 event in conjunction with TGA sampling activities.

Samples collected from the TGA well will be analyzed for the following:

- Total petroleum hydrocarbons as diesel and heavier oil by NWTPH-Dx with silica gel cleanup to remove natural organics.
- Polynuclear aromatic hydrocarbons (PAHs) by EPA Method 8270 SIM-LL (select ion monitoring-low level).
- Volatile Organic Compounds (VOCs) by EPA Method 8260B.

Samples collected from Well MW-3 will be analyzed for the following:

- PAHs by EPA Method 8270 SIM-LL.
- Benzene by EPA Method 8021B or 8260B.

Field parameters will also be collected during sampling including pH, temperature, specific conductance, and turbidity.

The sampling program will be conducted as described in pertinent sections of the Sampling and Analysis Plan (ARCADIS 2004) prepared for the RI field program. No QA/QC samples will be collected for this limited sampling program. Costs include preparation of a brief letter report to DEQ documenting the sampling activities and results.

Proposed Costs and Key Assumptions

Estimated costs for the activities described above are shown on the attached USPS cost proposal forms and include:

	Task 1: Additional RI Field Activities	\$15,826
	Task 2: Data Validation and Compilation/Evaluation	\$35,620
	Task 3: RI Report	\$78,960
	Task 4: Baseline Human Health Risk Assessment	\$66,800
	Task 5: 2005 Groundwater Monitoring	\$ 9,152
:	Total	\$206,358

Costs assume minor comments on draft RI documents from USPS, PTRC, and the DEQ. Based on this assumption, ARCADIS can provide these services for a total cost of \$206,358.

Proposed Schedule

The additional RI field activities were completed in accordance with USPS approval. Data validation and review will be initiated upon receipt of USPS approval (issuance of a Work Order) and is anticipated to begin in February 2005. The RI report will be initiated following data validation and review and is due to DEQ within 90 days of completing RI field activities. As discussed with USPS, ARCADIS will request an extension to allow 90 days for report preparation and ARCADIS anticipates submittal of a draft RI Report to DEQ in May 2005. The final RI Report will be due to DEQ within 60 days of receiving DEQ comments on the draft report.

Groundwater monitoring will be conducted in 2005 in accordance with the following schedule as described above:

- March 2005
- June 2005
- September 2005
- December 2005

The actual project schedule will be dependent on USPS direction and DEQ requests and response times.

Thank you for the opportunity to provide this cost proposal for continued work on the Portland P&DC project. Please contact Melissa Kleven or Steve Reed at (425) 821-2100 with any questions you may have.

Sincerely,

ARCADIS

cc:

V. Steve Reed Senior Vice President Melissa Kleven Project Manager

Ken Shump, CH2MHill

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

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Prepared by: M. Klev 2/18/2085

COST PROPOSAL: Task 2 - Data Validation and Compilation/Evaluation

USPS IQC #072976-98-8-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

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Prepared by: M. Klever 2/18/2005

COST PROPOSAL: Tesk 3 - Remedial Investigation (RI) Report

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

Project Director				5230.00		80	A/1000716 \$18,40
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Prepared by: M. Ki 2/18/2005

COST PROPOSAL: Task 4 - Baseline Human Health Risk Assessment

USPS IQC #072976-98-B-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

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Project Director		\$230.00	10	\$2,300
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Project Scientist	* •			1
Staff Engineer	•	\$95.00	300	\$28,500
Scientist #				
Geologist i		\$55.00	80 -	\$4,400
Asbestos/Lead Inspector				
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Supplies		\$150		\$150
Copies		\$150		\$150
Phone, Fax, Correspondence	•	\$200		\$300
	* SUBTOTALS			350/60/2000
		• •	Task 4 Total:	\$66,800

Prepared by: M. Ki 2/18/2005

COST PROPOSAL: Task 5 - 2005 Groundwater Monitoring

USPS IQC #072976-98-8-1244
Project Name: Environmental Consulting Services - Portland P&DC, 715 NW Hoyt Street, Portland, Oregon 97208

		•			
Work(Gloup			Contract Rate	Houre	Amount
Project Director					
Senior Engineer	200	• • •	\$149.00	. 8	\$1,192
Senior Scientist					
Planner I					
Project Engineer	:		3		
Engineer II		: '			
Engineer I					
Project Geologist/Hydrog	eciogist			•	
Geologist/Hydrogeologist				•	
Geologist/Hydrogeologist			•		
Project Scientist					
Staff Engineer			\$95.00		\$1,140
Scientist II		1. **	• • •	•	
Geologist I			\$55.00	32	\$1,760
Asbestos/Lead Inspector			•	•	
Technician			\$30.00	6	\$180
Drafting it					
Drafting I				•	
Word Processing If	-				
Word Processing I	* '				
Clerical			\$30.00	6	\$180
	LAE	OR SUBTOTAL		64	\$4,452
MISCELLANEOUS DESC	RIPTIONS AND	AMOUNTS ***			Amount
North Creek Analytical			\$2,310	•	\$2,310
IDW Disposal			\$630		\$830
Equipment rental			\$880		\$880
Field expenses, mileage, o	irums		\$800		\$800
Phone, Fax, Corresponder			\$80	<u> </u>	\$80
THE REPORT OF THE PARTY OF THE		SUBTOTAL			34100
		: .		,	
				Task 6 Total	\$9,152
e e					
		Committee of the contract of t			
	•			ional RI Field Activi	
				Compilation/Evaluat	
		Task	3: Remedial In	vestigation (RI) Rep	ort: \$78,960
				ealth Risk Assessm	
		•	Task 5: 2005 G	roundwater Monitor	ing: \$9,152
	•.				
				TOTAL CO	ST: \$206,358

Prepared by: 2/18/2005